

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE:

REVIEW OF COGENERATION AND
SMALL POWER PRODUCTION RULES
[199 IAC CHAPTER 15]

DOCKET NO. RMU-2016-0006

**REPLY COMMENTS OF THE IOWA ASSOCIATION OF
ELECTRIC COOPERATIVES**

In accordance with the procedural schedule established herein, the Iowa Association of Electric Cooperatives (IAEC) submits the following comments in response to the initial comments/statements of position filed herein by other participants in this Docket. The other participants filing comments include the Office of Consumer Advocate ("OCA"), MidAmerican Energy Company ("MEC"), Interstate Power & Light Company ("IPL"), and the Environmental Law & Policy Center ("ELPC") and the Iowa Environmental Council ("IEC"). ITC Midwest, LLC ("ITC") filed an appearance herein; but did not file initial comments.

The IAEC continues to support the comments it initially submitted herein and has limited comments on the suggestions made by the other Parties as follows:

1. Remedy for Non-Compliance. The remedy for non-compliance with the provisions of 15.10(3), which set forth interconnection facility requirements, including the disconnection device, is a matter addressed by MEC and the joint comments filed by ELPC and IEC. As proposed, rule 15.10(3)"f" would provide as follows:

"f. An interconnection customer failing to comply with the foregoing requirements may be disconnected as provided in 199 - Chapter 20. The disconnection process

details shall be provided in individual electric utility tariffs or the interconnection agreement."

The ELPC and IEC comments recommend the Board revise proposed rule 15.10(3)(f) to limit disconnection to the distributed generation facility only. (See, ELPC and IEC Comments at p.4). Similarly, MEC supports a modification of the proposed rule so that failure to comply with the interconnection facility requirements only allows the utility to disconnect the "applicant's facility". (See MEC comments at p.6). The IAEC generally concurs with the concerns raised by these parties and the IAEC members would likely only disconnect a member-consumer's distributed generation facility rather than the member-consumer's electric service for failure to comply with the interconnection facility requirements; however, if the non-compliance is the refusal to install a disconnection device that can be accessed by the utility, there may be no practical way for the utility to disconnect the facility without also disconnecting the member-consumer's electric service. The rules need to be written in such a way that disconnection of a member-consumer's electric service in such an instance is not prohibited.

2. Disconnect Device. The proposed rules include a new definition of disconnection device in Rule 15.1(f). MEC has suggested the proposed definition be revised so that it only includes devices that disconnect the generating facility and not those that disconnect the main service. The IAEC supports such a modification. The MEC definition, however, includes reference to "customer-sited private generation facility subject to the requirements of Chapters 15 and 45." The IAEC is concerned that the introduction of the reference to "customer-sited private generation facility" may cause confusion as to the applicability of the requirements. The IAEC understands the disconnection device

requirements to apply to all distribution generation facilities as defined in Iowa Code §476.58, whether sited by the customer or a third-party, and whether intended solely for private use or to generate energy to be sold to a utility for ultimate delivery to the public. Further, the IAEC notes that reference to "Chapters 15 and 45" in the MEC definition may create confusion, as the Chapter 45 rules are not applicable to the non-rate-regulated utilities, so a facility interconnecting to a non-rate-regulated utility would not necessarily have to comply with the Chapter 45 rules. Perhaps changing the "and" to "or" would be acceptable, or merely referencing Chapter 15, which applies to all utilities.

3. Distributed Generation Facility. IPL proposes adding a definition of "distributed generation facility" which would mean "a qualifying facility or an AEP facility". The IAEC would not oppose the inclusion of such a definition, as it would appear to be consistent with the provisions of Iowa Code §476.58; however, there are many places within the rules where the requirements are specified as being applicable to "qualifying facilities and AEP facilities". Accordingly, it is not clear that such a definition would be required.
4. Fire Department Reporting. The ELPC and IEC object to language in proposed rule 15.10(7) that they contend could allow local fire departments to require information to be provided that goes beyond that required by the Statute. The IAEC supports the proposed rule as written, as it is the local fire department that best understands what information should be provided by the facilities located within their jurisdiction in order to promote safety. The ELPC and IEC indicate they are concerned about unnecessarily complicating solar installations and increasing costs. As long as the information being requested by

the local fire department promotes safety, the safety concerns should prevail over the other concerns raised by ELPC and IEC.

5. Tax Credit Provisions. ELPC and IEC note that proposed rule 15.19(3)(a) references the "ten MW of nameplate generating capacity reserved in Iowa Code section 476C.3(4)(b)(3)." They suggest that the "ten MW" reference could be removed, as that capacity reserve could be changed by the Legislature. The IAEC would concur with this suggestion.

The IAEC respectfully requests that the Board consider these comments and those initially submitted by the IAEC as it continues with its review of its Chapter 15 rules in this docket and suggests that interested stakeholders should have an opportunity to address new items.

Respectfully submitted,

SULLIVAN & WARD, P.C.

by: /s/ Dennis L. Puckett

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 2nd day of September, 2016, the foregoing Reply Comments were filed with the Iowa Utilities Board through the Electronic Filings system and therefore electronically served upon the parties participating in this Docket.

/s/ Dennis L. Puckett